

of "typical incremental cost" per thousand gallons of water on usage above the historic usage. The Commission shall from time to time establish its estimate of "typical incremental cost" by order.

d. However, in future rate cases the utility's incremental cost of treatment shall be determined and the rate placed in an appropriate tariff as the leak adjustment rate. After a rate has been determined in a rate case, the utility shall not have the option to use the Commission's estimate of "typical incremental cost" found in 4.4.3.c.

e. The water utility shall, after determining that a leak adjustment must be made, notify the sewer utility of the amount of the adjustment in gallons and the reason for making the adjustment.

4.8. Utility discontinuance of service.

4.8.1. Notice of discontinuance --

a. No utility shall discontinue service to any customer for violation of rules and regulations or for non-payment of bills, without first having tried diligently to induce the customer to comply with its rules and regulations, or to pay his bills.

b. Service shall actually be discontinued only after at least ten (10) days' written notice shall have been given to the customer by the utility that bills are ~~five~~ ten (10) or more days delinquent, or that the violation of rules must cease: **Provided**, however, That where conditions hazardous to life or property is found to exist on the customer's premises, the water may be shut off without notice in advance. Where written notice is required it must be sent first class mail, address correction requested. Written notice shall comply with Form 14-W. The written notice shall become void if the utility has not discontinued service within thirty (30) days of the date indicated on the notice for termination. The water utility shall attempt personal contact with the customer immediately before termination of water service for either a delinquent water or sewer bill. The inability to make personal contact shall in no way prevent the water utility from terminating service. In no case shall the utility discontinue service on Friday, Saturday, Sunday, or a day prior to a holiday unless an emergency exists. All disconnections shall be performed between the hours of 8 a.m. and 4 p.m. The utility shall accept payment at the customer's premises in lieu of discontinuing service for either a delinquent water or sewer

bill. The payment must be for the entire amount of the delinquency to prevent termination.

c. If a landlord of a master-metered apartment building, motel, hotel or other multiple-unit dwelling is responsible for payment of a utility bill, written notice of termination shall be placed at a location readily available for public inspection at least five (5) days prior to the scheduled termination of that apartment building, motel, hotel or other multiple-unit dwelling in order to provide notice of the scheduled termination to the tenants of said apartment building, motel, hotel or other multiple-unit dwelling. This notice shall inform the tenants of the date on or after which termination of service will occur and shall state the steps the tenants can take to avoid termination of service. If the billing address for any single unit service is different than the service location, a written notice shall be delivered or posted at a visible location on the premises where the service is to be terminated at least five (5) days prior to the scheduled termination. This notice shall inform the occupant of the date upon which, or after, termination of service will occur and shall state the steps the occupant can take to avoid termination of service.

d. Any residential customer who has been notified that water service is to be terminated for non-payment of bills shall be given the opportunity to enter into a deferred payment agreement: **Provided**, That the customer has demonstrated an ability to pay but only in installments. The customer shall be informed at the time a disconnect notice is issued of the availability of a reasonable payment plan. The conditions surrounding the deferred payment agreement shall be as follows:

A. The details of the deferred payment agreement are to be negotiated between the utility and the customer and may consider several factors, including, but not limited to the following: amount of the bill; ability of the customer to pay; payment history; time the debt has been outstanding; reasons why the debt has been outstanding; and any other relevant factors.

B. Utilities shall be allowed to collect a carrying charge of six percent (6%) on any outstanding balance subject to a deferred payment agreement: **Provided**, however, That any utility which charges interest on unpaid balances pursuant to its tariff shall be precluded from also charging additional interest pursuant to this rule.